

Lower-market activity heats up \$1m Sydney homes

Robert Harley

The heat at the bottom of Sydney's housing market is bubbling upwards — up into the \$1 million to \$1.5 million range — according to agent John McGrath.

“Whilst the majority of the strength has centred on the lower end of the market, I'm also seeing sale results more regularly in the \$1 million-plus range significantly exceeding expectations,” he said.

“Sellers in the lower end have pocketed better than expected results and are reinvesting these funds to upgrade their homes with confidence.”

Speaking at the release of his *Market Review for Winter 2009*, Mr McGrath said there would be a “slight dilution” in demand during the next six months as the first-home owners boost came to an end. He warned that the number of mortgagee sales would increase

during the same time period.

Mr McGrath said the luxury market was probably 15 per cent off its high but noted a small number of properties had sold well above their 2007 sale price.

His top 10 value picks were at the luxury end of the market, many in suburbs where the median price has fallen more than 20 per cent.

The new suburb on the Parramatta River, Breakfast Point, heads the list. It is followed by

North Avoca, Palm Beach, Bellevue Hill, Pearl Beach, Northwood and Wombarra. For investors and first-home buyers, Mr McGrath had another 10 tips of locations that would provide “great lifestyle” and outperform the market.

The suburbs of Brighton-le-Sands, Erskineville, Glebe and Dulwich Hill top this list; it also includes the north-side locations of Neutral Bay, Artarmon, Lane Cove and Freshwater.